

## **AGENDA**

### **FINANCE STANDING COMMITTEE Monday, October 16, 2017 1:00 to 2:30 COMMITTEE ROOM #2**

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- 1. MINUTES FOR ADOPTION – August 21, 2017 (attached)**
- 2. 2018/19 PARKS AND RECREATION FEES AND CHARGES**  
Report of the Director of Parks and Recreation, dated October 6, 2017 (attached)
- 3. UTILITY RATE SETTING PROCESS**  
Report of the Director of Finance, dated October 10, 2017(attached)
- 4. COMMUNITY GRANT POLICY REVIEW**  
Report of the Director of Finance, dated October 10, 2017(attached)
- 5. PROPOSED INVESTMENT POLICY**  
Report of the Director of Finance, dated October 6, 2017(attached)
- 6. OTHER**

**... ADJOURNMENT ...**



## The Corporation of the District of Saanich

# Report

**To:** Finance Committee Members  
**From:** Suzanne Samborski, Director – Parks and Recreation  
**Date:** 10/6/2017  
**Subject:** 2018-19 Parks and Recreation Fees and Charges

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### RECOMMENDATION

That the Finance Committee recommends the proposed 2018-19 Parks and Recreation Fees and Charges be forwarded to the Parks, Trails and Recreation Advisor Committee for review and then to Council for approval as part of the 2018 budget process.

### PURPOSE

The purpose of this report is to recommend the proposed 2018-19 Parks and Recreation Fees and Charges to Council for approval during the 2018 budget process.

### DISCUSSION

As per the Community Charter, all District fees and charges must be approved by Council through its relevant Bylaw. Saanich Bylaw #9418 refers to Saanich Parks and Recreation fees and charges.

Each year the Parks and Recreation Department conducts a review of its admission, rental and permit fees that includes an external market assessment. As part of this process, a review of the regional market is conducted and participation statistics are reviewed. In comparison to other Greater Victoria departments, Saanich recreation drop-in admission fees are currently among the highest in the region, while participation levels have remained relatively static over the last four years.

Last year, with the endorsement of the Parks, Trails, and Recreation Advisory Committee, Council approved a 1% increase to recreation admission fees and rental rates, the addition of new punch cards for golf with higher per round yields and held parks fees at status quo.

### Recommendations for Council

1. Implement a 2% increase to admissions and passes and 2% increase to facility rental and ice rental rates, plus the highlighted increases or changes based on market capacity or Council direction, listed on Schedule A.
2. Adopt the proposed Parks fees and charges listed on Schedule B.
3. Adopt the proposed fees and charged for the Cedar Hill Golf Course listed on Schedule C.

### **FINANCIAL IMPLICATIONS**

It is estimated that the proposed recommendation will generate approximately \$31,250 in additional Recreation membership revenue, but drop-in admissions and pass prices will be only slightly higher.

The Golf Course will continue to increase the yield per round of play from the current \$25 per round, moving towards the goal of \$38-\$40 per round.

### **STRATEGIC PLAN IMPLICATIONS**

The recommendations from the Youth Development Strategy (YDS) and Five (5) year Plan approved by Council last year, changing the admission age categories for children and youth and the gradual alignment to the same admission price will continue.

### **OTHER IMPLICATIONS**

The recommendations in this report will also assist in addressing Objective 9 -New Approaches to Children and Youth Programming of the Parks, Recreation and Culture Master Plan.

OCP 5.2.2.1 Review recreational programming and facilities, as necessary, to ensure they are meeting current and emerging needs.

### **CONCLUSIONS**

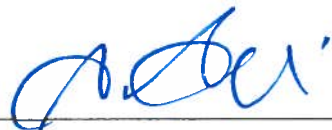
The recommendations outlined in this report will allow Saanich Parks and Recreation programs, services and facilities to remain competitive in an ever expanding and changing market, while meeting the goals of the Youth Development Strategy, continuing to be financially responsible and being strategic with respect to the financial sustainability of the Cedar Hill Golf Course.

Prepared by



Kelli-Ann Armstrong  
Senior Manager – Recreation

Approved by



Suzanne Samborski  
Director of Parks and Recreation

Reviewed by




Valla Tinney  
Director of Finance

**ADMINISTRATOR'S COMMENTS:**

I endorse the recommendation from the Director of Parks and Recreation.

Administrator



SAANICH PARKS AND RECREATION

Schedule A

Proposed April 1, 2018 - March 31, 2019

		Effective Apr 1/17 (1%) increase Base Price (Rounded to nearest \$0.25)	Effective Apr 1/17 Taxes Included	2% Increase Base Price (unrounded)	2% Increase Base Price (Rounded to nearest \$0.25)	Taxes Included
Drop-in General Admissions for Swimming, Skating, Weight Room, Sports at all four Saanich Recreation Centres						
Adult 19+	Single Admission	6.25	6.50	6.43	6.50	6.75
	Book of 10 Admissions	55.00	57.75	56.19	56.25	59.00
	Book of 25 Admissions	128.50	134.93	130.95	131.00	137.50
	3 Months Pass	145.75	153.04	148.57	148.50	156.00
	6 Months Pass	252.00	264.60	257.14	257.25	270.00
Student (19+ or with valid ID) / Senior (60+)	One Year Pass					
	Single Admission	445.25	467.51	454.16	454.25	476.75
	Book of 10 Admissions	5.50	5.50	5.71	5.75	6.00
	Book of 25 Admissions	41.00	43.05	41.90	42.00	44.00
	3 Months Pass (90 days)	100.25	105.26	102.14	102.25	107.25
Youth (13-18)	6 Months Pass (120 days)	109.25	114.71	111.43	111.50	117.00
	One Year Pass	194.75	204.49	198.57	198.50	208.50
	Limetime Membership - 90+ years	331.75	348.34	338.33	338.25	355.25
	Single Admission	4.29	4.50	4.29	4.25	4.50
	Book of 10 Admissions	38.50	40.43	39.29	39.25	41.25
Child (5-12) no proposed increase	Book of 25 Admissions	90.00	94.50	91.90	92.00	96.50
	3 Months Pass (NEW)	102.00	107.10	104.05	104.00	109.25
	6 Months Pass	176.50	185.33	180.00	180.00	189.00
	One Year Pass	300.00	315.00	305.95	306.00	321.25
	Single Admission	3.10	3.25	3.10	3.00	3.25
Family	Book of 10 Admissions	27.00	28.35	27.62	27.50	29.00
	Book of 25 Admissions	63.00	66.15	64.29	64.25	67.50
	Single Admission (Equal rate to 2 adults)	12.50	13.25	12.86	12.75	13.50
	Book of 10	110.00	115.50	112.14	112.25	117.75
	Annual (New April 2016)	848.00	890.40	865.00	865.00	908.25
Child-minding no proposed increase	Single Admission	4.52	4.75	4.52	4.50	4.75
	Book of 10 Admissions	42.50	44.63	43.33	43.25	45.50
	Book of 25 Admissions	100.00	105.00	101.90	102.00	107.00
	Tennis – indoor		27.00			27.00
	Squash		20.50			22.00
Court Rental	Shows		3.00			3.00
Misc Fees	Best for Less		3.00			3.25

Proposed 2018-2019: 2%

Saanich Commonwealth Place – Room Rentals		Effective Apr 1/17 (1%) increase Base Price (Rounded to nearest \$0.25)	Effective Apr 1/17 Taxes Included	2% Increase Base Price (unrounded)	2% Increase Base Price (Rounded to nearest \$0.25)	Taxes Included
<b>Room Rentals</b>		<b>Proposed 2018-2019: 2%</b>				
	Garry Oak Gym (hour - 400-500 capacity)	96.00	100.80	97.92	98.00	102.90
	Garry Oak Gym (day)	1147.00	1204.35	1169.94	1170.00	1228.50
	Garry Oak Half Gym (200 capacity)	48.25	50.66	49.22	49.25	51.71
	Gym Sport Rate	40.50	42.53	41.31	41.25	43.31
	Arbutus Board Room (hour - 50 capacity)	41.50	43.58	42.33	42.25	44.36
	Arbutus Board Room (day)	285.00	299.25	290.70	290.75	305.29
	Red & Yellow Cedars (hour - 100 capacity)	57.75	60.64	58.91	59.00	61.95
	Red & Yellow Cedars (day)	402.00	422.10	410.04	410.00	430.50
	Red or Yellow Cedars (hour - 50 capacity)	33.75	35.44	34.43	34.50	36.23
	Red or Yellow Cedars (day)	262.75	275.89	268.01	268.00	281.40
	Pacific Dogwood (hour - 30 capacity)	35.00	36.75	35.70	35.75	37.54
	Pacific Dogwood (day)	245.25	257.51	250.16	250.25	262.76
	Douglas Fir (hour - 70 capacity)	41.50	43.58	42.33	42.25	44.36
	Douglas Fir (day)	285.00	299.25	290.70	290.75	305.29
	Dance Studio (hour - 32 capacity)	58.00	60.90	59.16	59.25	62.21
	Dance Studio (day)	398.00	417.90	405.96	406.00	426.30
	Multi-Purpose Yoga Room (hour - 50 capacity)	58.00	60.90	59.16	59.25	62.21
	Multi-Purpose Yoga Room (day)	398.00	417.90	405.96	406.00	426.30
	Aquatic Classroom (hour - 20 capacity)	29.75	31.24	30.35	30.25	31.76
	Upside Teen Activity Lounge (hr, 50 capacity)	53.00	55.65	54.06	54.00	56.70

Gordon Head and Saanich Commonwealth Place – Pool Rentals/Lessons		Effective Apr 1/17 (1%) increase Base Price (Rounded to nearest \$0.25)	Effective Apr 1/17 Taxes Included	2% Increase Base Price (unrounded)	2% Increase Base Price (Rounded to nearest \$0.25)	Taxes Included
POOL / RENTALS / LESSONS	Private or Commercial/Lane (25m)	26.75	28.09	27.29	27.25	28.61
	Swim Club or Non-profit/Lane (25m)	14.50	15.23	14.79	14.75	15.49
	Schools (Includes 1 guard per 25 students)	33.50	35.18	34.17	34.25	35.96
	Schools (Additional guards – 1 for every 25)	33.50	35.18	34.17	34.25	35.96
	Schools (Instructors – 1 per 7 students)	33.50	35.18	34.17	34.25	35.96
	Commercial additional staff fee	33.50	35.18	34.17	34.25	35.96
Private Rentals	Leisure & Lap pools (2 guards up to 50 people) during operating hours	127.75	134.14	130.31	130.25	136.76
	Leisure & Lap pools (2 guards up to 50 people) after operating hours	149.75	157.24	152.75	152.75	160.39
Gordon Head Community Recreation Centre - Room Rentals		Effective Apr 1/17 (1%) increase Base Price (Rounded to nearest \$0.25)	Effective Apr 1/17 Taxes Included	2% Increase Base Price (unrounded)	2% Increase Base Price (Rounded to nearest \$0.25)	Taxes Included
POOL / RENTALS / LESSONS	Commercial Leisure & Lap Pool - operating hours (90 minutes)	184.25	193.46	187.94	188.00	197.40
	Mt. Douglas Auditorium (per hour)	54.50	57.23	55.59	55.50	58.28
	Mt. Douglas Auditorium (banquet/dance)	455.50	478.28	464.61	464.50	487.73
	Bert Richman Auditorium (per hour)	54.50	57.23	55.59	55.50	58.28
	Bert Richman Auditorium (banquet/dance)	455.50	478.28	464.61	464.50	487.73
	Feltham Room (per hour)	41.00	43.05	41.82	41.75	43.84
	Feltham Room (full day 7 hours)	245.50	257.78	250.41	250.50	263.03
	Kenmore Room (per hour)	38.50	40.43	39.27	39.25	41.21
	Preschool Room (per hour)	43.50	45.68	44.37	44.25	46.46
	Backdoor Teen Centre (per hour)	51.00	53.55	52.02	52.00	54.60
	Dance Studio (per hour)	51.00	53.55	52.02	52.00	54.60
	Annex (per hour)	49.25	51.71	50.24	50.25	52.76
	Multi-purpose 1 (per hour)	51.25	53.81	52.28	52.25	54.86
Cedar Hill Community Recreation Centre – Room Rentals		Effective Apr 1/17 (1%) increase Base Price (Rounded to nearest \$0.25)	Effective Apr 1/17 Taxes Included	2% Increase Base Price (unrounded)	2% Increase Base Price (Rounded to nearest \$0.25)	Taxes Included
Room Rentals	Auditorium (per hour)	56.50	59.33	57.63	57.75	60.64
	Auditorium (Function/Event – including kitchen)	718.00	753.90	732.36	732.25	768.86
	Seniors Wing (per hour)	46.25	48.56	47.18	47.25	49.61
	Seniors Wing (Function/Event)	402.00	422.10	410.04	410.00	430.50
	Dance Studio (per hour)	41.00	43.05	41.82	41.75	43.84
	Dance Studio (Function/Event)	351.50	369.08	358.53	358.50	376.43
	Activity Room	34.25	35.96	34.94	35.00	36.75
	Arts 1	66.75	70.09	68.09	68.00	71.40
	Arts 2	62.00	65.10	63.24	63.25	66.41
	Gallery Café	38.75	40.69	39.53	39.50	41.48
	Lounge and Café	65.00	68.25	66.30	66.25	69.56
		Proposed 2018-2019: 2%				



# SAANICH PARKS - PROPOSED Fees and Charges

## SCHEDULE B

Recommended

SAANICH PARK FACILITIES (prices rounded including GST)		2017-18		2018-19 - 2% cost		2018-19	
		Per Field		Per Field		Per Field	
FIELDS (Baseball/Softball/Soccer/Football/Lacrosse)		Per Game	Per Day	Per Game	Per Day	Per Game	Per Day
	Youth	\$ 13.75	\$ 40.00	\$ 14.00	\$ 40.75	\$ 13.75	\$ 40.00
	Adult	\$ 27.00	\$ 79.75	\$ 27.50	\$ 81.25	\$ 27.00	\$ 79.75
	Commercial/Business	\$ 34.00	\$ 100.00	\$ 34.75	\$ 102.00	\$ 34.00	\$ 100.00
OTHER FIELD COSTS							
	Lights - per hour, per field	\$	27.50	\$	28.00	\$	27.50
	Field Marking - new layout, per field	\$	284.00	\$	289.75	\$	284.00
	Field Marking - re-mark, per field	\$	142.00	\$	144.75	\$	142.00
PICNICS/EVENTS							
	Up to 25 People (maximum 4 hours)	\$	20.50	\$	21.00	\$	20.50
	25 - 100 People (maximum 4 hours)	\$	33.75	\$	34.50	\$	33.75
PICNIC							
	Picnic defined as family type gathering under 100 people. Over 100 people considered an event. Requested booking over the 4 hour limit will be charged and additional \$10/hr.						
	Registered Non-Profit Groups (maximum 6 hours)	\$	34.25	\$	35.00	\$	34.25
	Private - including weddings (maximum 6 hours)	\$	68.00	\$	69.25	\$	68.00
EVENT							
	Commercial/Business (maximum 6 hours)	\$	85.25	\$	87.00	\$	85.25
COMMERCIAL SERVICE OR ACTIVITY (including bootcamps and filming)							
	Requested booking over the 6 hour limit will be charged an additional \$10/hr.						
	Per Permit (up to 3 days for same park/time booked)	\$	79.50	\$	81.00	\$	79.50
	4 Month Period (same park and time repeated)	\$	153.25	\$	156.25	\$	179.75
	Yearly Jan 1 - Dec 31 inclusive	\$	247.50	\$	252.50	\$	290.50
	Subject to a \$25 administration fee (per change) for changes to permit. Includes adjusting parks used, days or times requested. Commercial service permits limited to up to 3 park uses per week under a single permit of the same location/time repeated. Additional use and/or additional locations requires separate permit (and thus costs charged) to be issued.						
ADDITIONAL CHARGES							
	Washrooms/Gate Key Deposit	\$	20.00	\$	20.00	\$	20.00
	Staff time per hour - event support or excessive cleanup	\$	47.00	\$	48.00	\$	51.75
TREES							
	Tree Replacement Fee/Schedule I Trees	\$	1,275.00	\$	1,300.50	\$	1,275.00
FURNITURE DONATION							
	Donation Bench or Table (10 year term)	\$	2,920.00	\$	2,978.50	\$	3,000.00

no change to field or picnic rental rates

wording change - addition of film permit

wording change only

15% increase

15% increase

wording change to clarify for users

10% increase - better match to labour costs

wording change only

2.75% increase

## Notes:

Costing options for a 1%, 1.5% or 2% cost increase provided

Parks recommends no increase to basic field, picnic or event permit costs to keep in line with other local government rates for similar levels of service

recommend 15% increase to 4 month permit as currently was less than double a single permit rate

recommend 15% increase to annual permit

recommend 2.75% to donation bench or table as parks has a new furniture style (due to closure of former supplier) that has a higher initial cost

clarification of text under commercial service permits to note same park/time repeated and to include film permits as a chargeable permit item

increase to staff time charge to more closely match staff loaded rate costs

**Cedar Hill Golf Course - Schedule C  
2018-2019 Fee Recommendations**

Green Fees		Summer		Winter	
(5 day advance booking)		2017-2018	2018-2019	2017-2018	2018-2019
Weekday	Mon - Thursday	\$ 44.00	\$ 45.00	\$ 39.00	\$ 40.00
Weekend	Fri - Sun/Holidays	\$ 49.00	\$ 50.00	\$ 39.00	\$ 40.00
Twilight	Times vary (Winter - after 12 Noon)	\$ 39.00	\$ 40.00	\$ 28.50	\$ 29.00
Juniors		\$ 25.00	\$ 25.00	\$ 20.00	\$ 20.00
9 hole		\$ 28.50	\$ 29.00	\$ 21.00	\$ 21.50
13 hole		\$ 38.00	\$ 40.00	N/A	N/A
Super Twilight	Times vary (Summer only)	\$ 25.00	\$ 25.00	N/A	N/A
Footgolf	9 holes - adult	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Footgolf	9 holes - junior	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00

Annual Passes		2017-2018	2018-2019
<b>Weekday (Mon. - Fri.)</b> (3 rounds / week, 55 summer, 45 winter, 5 day advance booking)		\$ 1,499.00	\$ 1,530.00
<b>Full</b> (3 rounds / week summer, 5 day advance booking, unlimited winter)		\$ 1,999.00	\$ 2,040.00
<b>Junior</b> 12-18 yrs		\$ 250.00	\$ 250.00

Note: additional rounds above the max of 3/week (summer full pass) or weekday pass limits are played at the 9 hole rate

Green Fee Savings Cards*		2018 - 2019		
Summer		10X (10% discount)	25X (20% discount)	50X (30% discount)
Weekday	Mon. - Fri.	\$ 405.00	\$ 900.00	\$ 1,575.00
Weekend	Sat/ Sun/Holidays	\$ 450.00	\$ 1,000.00	\$ 1,750.00
9 hole		\$ 261.00	\$ 580.00	\$ 1,015.00
13 hole				
Twilight				
Winter		10X (15% discount)	<b>DISCONTINUED</b>	
Daily, anytime (* discount card booking same as green fee players, 5 day advance)		\$ 360.00		

- Notes**
- Savings card use allows the holder to take 1 guest per same day played. Cards are not transferable.
  - All Pass and Discount Card holders receive 10% off food purchases in the clubhouse by presenting their pass/card at time of purchase
  - Food discounts do not apply to tournaments or booked events

All above prices include GST

Summer/winter dates are determined by weather and playing conditions

### Clubhouse Rentals

Golf Course Club House rental rates are negotiated based on type of event, length of event, and food and beverage spend.

General Rentals	Size (sq. ft)	ax Occupan	Half Day	Full Day
Banquet Room Area	1242	64	\$250	\$500
Banquest Room & Lounge	1819	150	\$350	\$750
Activity Room	594	32	\$28 (hourly)	\$200

Weddings	Size (sq. ft)	ax Occupan	Rental Rate
Banquet Room Area	1242	64	\$750
Banquest Room & Lounge	1819	120	\$1,000



## The Corporation of the District of Saanich

# Report

**To:** Finance Committee  
**From:** Valla Tinney, Director of Finance  
**Date:** October 10, 2017  
**Subject:** Utility Rate Setting Process

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### Recommendation:

That the Committee consider the options for reviewing utility rate setting and provide direction to staff on the desired process.

### Purpose:

To outline the timeline and associated process that the District staff go through to set the utility rates for the following year and provide options for the committee to conduct utility rate setting reviews as included in the Terms of Reference.

### Background:

The Terms of Reference for the Finance Committee includes:

- Review and make recommendations to council – Utility User Fees (Sewer & Water) as part of the annual budget process.

Unlike property taxes which are set by May 15<sup>th</sup> for a calendar year, utility rates are currently set in December of the prior year. This date is not legislated but is a practice that the District follows to ensure that the rates are effective January 1<sup>st</sup> to match with the commencement of the first billing cycle. Given the number of water and sewer customers the District has, meter readings and utility billing must be done on a daily basis; each meter is read and billed three times a year. Where rates have to be adjusted part way in a calendar year due to unseen circumstances, the rates are adjusted and made effective either May 1<sup>st</sup> or September 1<sup>st</sup> which correspond to the triannual billing cycle and allows for a fair increase to all utility users.

### Discussion:

Water, sewer and garbage/organics cart rate calculations are based on the basic formula of total operating and capital funding needed in a year divided into the expected consumption or volume for the year. To determine the rate, all anticipated costs, both operating and capital, have to be determined first. These costs include the District's operating maintenance costs, water purchased from the CRD, CRD sewer operating and treatment costs allocated to the District, CRD Hartland tipping fees and the District's capital funding for sustainable replacement of the utility systems. Water consumption and sewer volume are then estimated for the following year based on the past trends and any expected changes in the coming year.

The following is the process and timeline that finance follows to set up both the water and sewer rates.

July/August:

- Council approves and adopts the upcoming year's budget guideline.

October:

- Engineering Services submits its operating budget for water and sewer and solid waste.
- Finance sets the capital funding for the utilities based on Council adopted budget guidelines.

November:

- Finance reviews the submitted budgets to ensure compliance with budget guidelines.
- CRD informs Saanich by early November of the preliminary water bulk rate, and by mid-November of the preliminary sewer requisition amount and any changes to the Hartland tipping fees. These amounts are not yet reviewed or approved by CRD's Committee of Whole until end of November.
- Current year's water usage, sewer volumes and number of current households with varying sizes of garbage and compost carts are determined by acquiring actual billing data from the Tempest utility module for the January to October periods and then estimating the same for the remainder of the year.
- Finance reviews and analyses the Tempest data over the last few years to determine possible trends for the future year. An estimated water consumption, sewer volume and number of garbage and compost carts is then determined for the following year.
- Water, sewer and garbage rates are then set using the above total costs divided into total estimated consumption/volume.

December

- Finance prepares report and bylaws to present to Council for discussion, approval and then adoption.
- Once approved, the rates are setup in the Tempest utility module to be used for next year's billing.

April

- Finance reviews the final and adopted CRD sewer budget and requisition to ensure that it is not materially different from CRD's preliminary November sewer budget. If materially different then a revised rate is calculated and brought before Council for approval.

### **Options:**

Based on this tight timeline and the timing of Committee and Council meetings, it is challenging to bring proposed rates to the Committee in advance of Council and meet the December deadline for bylaw adoption.

Option 1

If the Committee review were to be part of the annual budget process, it would be conducted in March and adjustments could be made at that time as currently happens when the CRD alters its preliminary budget upon final adoption. This could be implemented for the 2018 rate setting process. The rates would be set in December as per past practice, but a more in depth review would be brought to the Committee so that any recommendations for rate adjustments could be made as part of the budget process and confirmed by Council for the May billing cycle. This would align with adoption of the Financial Plan Bylaw.

Option 2

Alternatively, shifting the rate setting "anniversary" to May would enable the Committee to do a fulsome review prior to Council receiving bylaws. This would require a catch-up increase effective May 1<sup>st</sup> in the year of implementation as the usual increase would not be made in January and any additional revenues needed for this trimester would not be received. Should the Committee choose to pursue this option, staff would prepare a follow-up report for the committee to ultimately make a formal recommendation to Council. This could be implemented for the 2019 rate setting process.

Option 3

Retain the process status quo.

Report prepared by:



Paul Arslan, Senior Manager of  
Financial Services

Report reviewed by:



Valla Tinney, Director of Finance

**CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I endorse the recommendation of the Director of Finance



Paul Thorkelsson, CAO



## The Corporation of the District of Saanich

# Report

**To:** Finance Committee  
**From:** Valla Tinney, Director of Finance  
**Date:** October 10, 2017  
**Subject:** Community Grant Policy Review

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### RECOMMENDATION:

- a. That the Committee review the 6 Community Grant programs and provide direction to staff for requested changes to the policy
- b. That the Committee consider the application process including presentation opportunity provided to applicants and adjudication process.

### PURPOSE:

This report is prepared pursuant to the Finance Committee Terms of Reference:

- Review and make recommendations to Council:
  - Grants Policy and budget as part of the annual budget process

### BACKGROUND:

The Community Grants Policy was adopted by Council in January of 2013. A copy of the policy is provided as an attachment. Over the course of the grant adjudication process that occurs as part of budget deliberations, Council has expressed a variety of concerns with the program. As five cycles have now occurred under the policy, it is an appropriate time to review its success and consider if changes are indicated.

Some of the challenges experienced include:

1. Current policy/process does not screen applicants to Council's satisfaction (e.g. health organizations) – staff does not have capacity to do complete reviews of applications and no authority under the policy to deny acceptance of an application
2. Challenging for Council to follow the policy. The multitude of requirements are difficult for Council to assess with the number of applicants and size and complexity of application packages.
3. Policy indicates priority should go to new applicants over returning ones, but this is not the practice.
4. Timing for some projects is challenging given that grants are not approved for projects that have already taken place. If an event falls between January 1<sup>st</sup> and May 15<sup>th</sup>, application must be made over a year in advance. Smaller organizations frequently do not have this kind of advance planning.
5. Lack of applicants for the Neighbourhood Matched Grant program.

6. Challenges with applications for Sustainability Grant being approved. The program appears not to be achieving its intent as very few applications are funded.
7. Small Sparks Grant program has become an “invasives removal/restore” grant program. The criteria are screening out some worthwhile initiatives that Council would likely support funding.
8. Community Association Grants – may need better definition of intended use
9. Time commitment to hear from and adjudicate grant applicants (2 full evenings to hear from the applicants and a couple of hours to adjudicate)
10. Fundamental differences between applicants making adjudication challenging for Council.

## **DISCUSSION:**

A grant policy should be a useful guide that enables Council to allocate a grant budget to organizations that assist the municipality to fulfil its mandate to the residents. While Saanich's program is administered by Finance, it is a corporate program that supports a wide variety of services, ranging from emergency services such as Marine Rescue to sustainable food production to mental health support. The various grant streams will be discussed individually, with a view to this overarching goal.

### **Policy Review**

#### **Operating Grants**

##### **1. Community or Social Service Operating Grants**

This is the program under which most grant money is distributed. The program appears to be working well, with the exception that it is challenging for Council to apply the numerous criteria established; in particular, priority for new applicants.

Recommendation – confirm that criteria and exclusions meet the intent of Council and amend as required.

##### **2. Community Association Operating Grant**

This program provides a set funding amount to the District's Community Associations to assist them with their administrative costs. While this program appear to be working well, it would benefit from a clearer description of the costs the program is intended to cover (e.g. newsletter production).

Recommendation – add language to the policy to clarify the types of costs expected to be covered by the grant.

##### **3. Community Dry Grad Grants**

This program assists graduating students fund an alcohol free event. The program works well but would benefit from presentation to Council not being required to obtain approval. While often a good opportunity for youth to participate in local government, it is likely not best use of time, and where the meetings go late, not appropriate.

Recommendation – delegate approval to the Director of Finance

## Project Grants

### 4. Small Sparks Project

This program was intended to provide seed funding for small community based projects. Given the criteria that the project must “significantly improve the appearance of the neighbourhood” the program is almost solely providing funding to “Pulling Together” groups for invasive removal and restoration projects. A variety of projects that Council may wish to support have been denied due to the established criteria. The program would benefit from either moving it to a Parks based invasive removal support grant for the Pulling Together program, or broadening the criteria so that a wider variety of projects may be approved.

Options:

- a. Open up the criteria and not require physical improvement to the neighbourhood
- b. Narrow the criteria to set up a clear invasive removal/restoration grant and allow for multiple year applications to support ongoing work.
- c. Split the program into two streams, one for invasive removal/restoration to be administered by the Parks department and one for other one-time initiatives that are community based but do not require a physical improvement to the neighbourhood.

### 5. Neighbourhood Matched Program Grant

This program has experienced a steady reduction in applications since the policy was adopted. A list of applicants and approvals is provided in Table 1. There is no information available to explain the trend.

Options:

- a. Maintain the program as established
- b. Alter the program to open up opportunities
- c. Remove the program from the policy

### 6. Sustainability Grant

This programs has experienced many challenges since its inception. Sustainability staff spend many hours supporting groups with their applications and then assessing them to provide inputs for Council consideration. In spite of this effort, very few applicants have been approved for funding. The program appears not to be meeting its intended purpose. The options are as stated below. If removal of the program is selected, it is recommended that the funding provided to this program from Carbon Tax rebates be transferred to the Carbon Neutral Reserve Fund with the balance of this funding source.

Options

- a. Maintain the program as established
- b. Alter the program to open up opportunities
- c. Remove the program from the policy

### **Presentation and Adjudication**

The presentation and adjudication process currently takes two and half Committee of the Whole meetings to conduct. Staff attempted to coordinate the two presentation nights last year so that organizations that were connected to Saanich via management agreement, lease or other legal arrangement were separated from the general ask. There may be some benefit to assessing how organizations such as Goward House, Haliburton Farm, and HCP etc. connect with Council during the budget process. The evening format also presents challenges as these evenings tend to go quite late which can be problematic for some presenters.

Some municipalities delegate the grant process to a committee. Alternate processes include daytime presentations or no presentation at all.

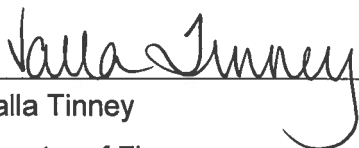
#### **Options**

1. Maintain the current presentation and adjudication process
2. Direct staff to do further analysis of alternative options for the grant presentation and adjudication process.

#### **Next Steps**

Staff will undertake amendments to the policy and or process based on decisions made by the Finance Committee and bring the policy back for endorsement prior to presentation to Council for approval.

Report prepared by:

  
Valla Tinney  
Director of Finance

#### **CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I endorse the recommendation of the Director of Finance


  
Paul Thorkelsson, CAO

Table 1

<b>Neighbourhood Matched Project Grants</b>			
<b>Year</b>	<b>Applicants</b>	<b>Amount Requested</b>	<b>Amount Approved</b>
2017	Prospect Lake & District Community Association	3,000	-
2016	FORTRESS Foundation	3,000	-
2015	Broadmead Area Residents' Association	3,000	3,000
	Cordova Bay Association for Community Affairs	1,000	1,000
	Prospect Lake & District Community Association	3,000	3,000
	Residents Association of Strawberry Vale, Marigold and Glanford	2,600	2,600
		9,600	9,600
2014	Royal Oak Historical Association	2,380	2,380
	Prospect Lake & District Community Association	3,000	-
	Cadboro Bay Resident Association	500	500
		5,880	2,880
2013	Cloverdale Traditional School PAC	3,000	-
	Cordova Bay Association for Community Affairs	2,000	2,000
	Growing Young Farmers Society	3,000	-
	Cadboro Bay Resident Association	550	-
	Haliburton Community Organic Farm Society	3,000	-
	Mt. Tolmie Community Association	1,500	1,500
	Prospect Lake & District Community Association	3,000	1,500
	Raven Baroque Summer Celebration	3,000	-
	Royal Oak Historical Association	2,250	1,500
	Peninsula Streams Society	1,500	-
		22,800	6,500

## **COUNCIL POLICY**

<b>SUBJECT: SAANICH COMMUNITY GRANTS PROGRAM</b>		
<b>ISSUED:</b>	January 14, 2013	<b>INDEX REFERENCE:</b>
		<b>COUNCIL REFERENCE:</b> 13/CNCL (Replaces 03/105, 88/CW, 90/CW)
<b>AMENDED:</b>	October 7, 2013	<b>COUNCIL REFERENCE:</b> 13/CNCL

### **1.0 PURPOSE STATEMENT AND GENERAL GUIDELINES**

The purpose of the Saanich Community Grants Program is to provide financial support to non-profit community associations and organizations for services, projects or events that contribute toward the Saanich vision described in the Official Community Plan. Financial support recognizes the valuable resources and contributions of non-profit organizations in helping the District of Saanich maintain a strong community focus.

Grant awards will be limited to funding levels established from time to time during the annual financial plan process.

Until such time as grant applications exceed available budget funding, all projects will be considered. If and when applications exceed available funding, priority will be given to new applicants. Any funds budgeted but not expended will be carried forward and added to next year's budget.

All grant applications are received and administered by the Finance Department. All funding awards are approved by Saanich Council, excluding the Small Sparks Project Grants awarded by the Director of Finance. More than one grant will not be awarded for the same service, project or event.

A summary of grant awards will be published annually prior to January 31<sup>st</sup> of the following year.

### **COMMUNITY GRANTS PROGRAM**

The Community Grants Program consists of two primary elements: Operating Grants and Project Grants. The Program is coordinated by the Finance Department, with participation from appropriate Departments relative to areas of direct expertise.

Applications will be accepted from eligible organizations in the following categories:

#### **1.1 Operating Grants**

- Community or Social Service Grant
- Community Association Operating Grant
- Community Dry Grad Grant

#### **1.2. Project Grants**

- Community Project - Small Sparks Grant
- Community Project - Neighbourhood Matched Project Grant
- Community Project - Sustainability Grant

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## 2.0 PROGRAMS EXPLAINED

### 2.1 EXPRESSIONS USED

**Community Association:** Means a Saanich-based non-profit association registered under the Society's Act serving a population in a particular geographic area and has been recognized by Council, either through the local area planning process, through historical precedent or through a special resolution of Council. The association must be open and inclusive, actively encourage neighbourhood participation and engage diverse community members.

**Non-Profit Organization:** Means an association or organization that is registered under the Society's Act and where funds or profits are used only for purposes of the society itself. The organization must be open and inclusive, actively encourage community participation, engage diverse community members, and provide service to and/or include people who live and/or conduct work in Saanich.

**In-Kind Contribution:** Refers to community-matched contributions through volunteer labour, donated materials, or donated professional services and shall be valued at the market cost necessary if hired or purchased.

### 2.2 OPERATING GRANTS

1. **Community or Social Service Operating Grants** are provided to non-profit organizations needing assistance to enhance their ability to address community or social issues or to provide access to appropriate community services that directly benefit the Saanich community.
2. **Community Association Operating Grants** are provided to eligible, active, community associations to assist in defraying the annual administrative cost of operations.
  - Eligible community associations that represent a population area of less than 10,000 may receive an annual operating grant of up to \$1,100 based on expenditures.
  - Eligible community associations that represent a population area of more than 10,000 may receive an annual operating grant of up to \$1,650 based on expenditures.
  - All eligible community associations may receive an annual liability insurance grant of up to \$500 per year based on expenditures.
  - The Saanich Community Association Network (SCAN) may receive funds to offset secretarial/administrative services to a maximum of \$1,500 per year based on expenses submitted.

3. **Community Dry Grad Grants** are provided to a graduating class of a Saanich Secondary School to support building a safer community through youth awareness and promotion of an alcohol free event.
- Secondary school graduating class organizing committees may be eligible for up to \$5 per graduating student per year.

## 2.3 PROJECT GRANTS

1. **Small Sparks and Neighbourhood Matched Project Grants** provide funding to encourage community associations and other neighbourhood based non-profit organizations and community groups to undertake projects or events which strengthen neighbourhoods, promote participation and involvement through activities, build collaborative relationships and demonstrate an overall lasting benefit to the Saanich community as follows:

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### Small Sparks Project

**Small Sparks are limited to a maximum amount of \$500 per project.**

*Projects must be able to be completed within 6 months of receipt of the grant.*

*Awards are administered by the Director of Finance.*

**Projects/events within this category could include for example:**

- neighbourhood beautification
- tree planting
- invasive species removal (tools)
- graffiti removal

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### Neighbourhood Matched Project

**The maximum amount toward any one small project or event is \$3,000. Funding must be matched by the applicant.**

*Projects must be able to be completed within 12 months of receipt of the grant.*

*Awards are approved by Saanich Council.*

**Projects/events within this category could include for example:**

- park improvements/restoration
  - playground equipment, benches
  - interpretive signage
  - community education
  - Council approved murals (permit required)
-

2. **Sustainability Grants** are provided to community associations and non-profit organizations undertaking small projects that clearly demonstrate the principles of: protect and enhance air, water and land quality; sustain community infrastructure; energy efficiency and green technologies.

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**Sustainability Project**

Grants are available for any one project or event from \$1,000 to \$10,000. Funding requests over \$5,000 must be matched by the applicant.

*Projects must demonstrate ability to be undertaken and completed in a timely fashion.*

*Awards are approved by Saanich Council.*

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**Projects/events within this category must meet minimum sustainability benefit requirements based on the project's ability to:**

- Support Saanich's sustainability goals
  - Demonstrate potential project results/successes
  - Enhance the capacity of individuals or communities to engage in sustainability
  - Foster long-term behavioural change
- 

### 3.0 REQUIREMENTS AND ELIGIBILITY

#### 3.1 OPERATING GRANTS

##### a. Community or Social Service Grant

- Non-profit organizations may be eligible for a community or social service grant operating grant if they can demonstrate financial need.
- Non-profit organizations must provide a written summary of the request that includes clear information about the organization, the membership, the service provided and the benefit to the Saanich community.

##### b. Community Association Operating Grant

- Community associations may be eligible for an operating grant if they can demonstrate financial need.
- Where more than one community association represents a population in the same geographic boundary, the Community Association Operating Grant may be divided equally amongst the applying Associations.

**c. Community Dry Grad Grants**

- Secondary school graduating class organizing committees may be eligible for funding if they demonstrate financial need and can provide a letter of support from the School Principal.

**3.2 PROJECT GRANTS**

**a. Small Sparks Grant**

- Community associations and other neighbourhood based non-profit organizations or community groups may be eligible for a project grant if they can demonstrate financial need, a local geographic and social identity and active participation.
- Eligible projects must significantly improve the appearance of the neighbourhood and demonstrate an overall lasting benefit to the local community. Please note that projects must be able to be completed within six months of receipt of the grant.

**b. Neighbourhood Matched Project Grant**

- Community associations and other small neighbourhood based non-profit organizations or community groups may be eligible for a project grant if they can demonstrate financial need, a local geographic and social identity and active participation.
- Eligible projects must significantly improve the appearance of the neighbourhood and/or include events that engage and celebrate community. Please note that projects must be able to be completed within twelve months of receipt of the grant.
- Two letters of support from the local community must be provided including one from the local Community Association.
- For all Neighbourhood Matched Project requests, the total value of the matched contribution (cash or in-kind) from the group must at least equal the amount of the grant requested, *and* at least 25% of the value of the matched contribution must come from the neighbourhood.

**c. Sustainability Grant**

- Community associations or non-profit organizations may be eligible for a project grant if they can demonstrate financial need.

- Eligible projects must improve the overall sustainability of the community and/or include events that engage and celebrate community sustainability initiatives.
- All projects to be considered will need to meet minimum sustainability benefit requirements and will be evaluated based on the project's ability to:
  1. Support the sustainability goals for the municipality identified within the Climate Action Plan, the Climate Change Adaptation Plan, and/or the Saanich Strategic Plan.
  2. Demonstrate potential project results and successes.
  3. Directly enhance the capacity of individuals or communities to engage in sustainability.
  4. Foster long-term behavioural change.
  5. Undertake the proposed work in a timely fashion.
- The maximum Sustainability Grant award to any one project is \$10,000 and the minimum grant award is \$1,000.
  1. Grant requests under \$5,000 may be eligible for full funding.
  2. All grant requests \$5,000 and over must be matched 100% and the group must demonstrate that 50% of the matching funds have been secured and are from external sources. The total value of the matched contribution (cash and in-kind) must at least equal the amount of the grant requested.

## 4.0 APPROVAL AND APPLICATION GUIDE

### 4.1 AWARDS WILL NOT BE PROVIDED TO AND/OR USED TO:

- individual persons, individual businesses, political groups, other government agencies, universities, colleges, schools or hospitals;
- organizations that receive funding from Saanich through regional or other grant processes (e.g. CRD Arts funding)
- accumulate funds for the same project over multiple years, fund the same project for multiple years, or fund projects already completed;
- combine applications for funding the same project or event;
- duplicate an existing public or private program;
- purchase land ;
- fund travel, conference workshops, training or professional development costs;
- fund a deficit or debt repayment.

## **4.2 APPLICATION**

All grant requests must be submitted to the Director of Finance on or before February 1<sup>st</sup>, with the exception of requests for Small Sparks Project Grants which may be submitted at any time of the year. All grant requests must be submitted using the application form prescribed by the Director of Finance and must include all required documentation, unless otherwise indicated. Incomplete applications will not be considered.

### **a. Community or Social Service Operating Grant**

- Submit completed application form and accompanying documents to the Director of Finance on or before February 1<sup>st</sup>.
- Applications will be considered by Council during the annual review of the Financial Plan.

### **b. Community Association Operating Grant**

- Submit completed application form and accompanying documents to the Director of Finance on or before February 1<sup>st</sup>.
- Applications will be considered by Council during the annual review of the Financial Plan.

### **c. Saanich Community Association Network Operating Grant**

- Submit invoice detailing specific secretarial and administrative costs to the Director of Finance at any time during the year.
- Invoices will be considered for approval within 4 weeks of receipt.

### **d. Community Dry Grad Grant**

- Submit completed application form and accompanying documents to the Director of Finance on or before February 1<sup>st</sup>.
- Applications will be considered by Council during the annual review of the Financial Plan.

### **e. Community Project - Small Sparks Grant**

- Submit completed application form and accompanying documents to the Director of Finance at any time of the year.
- Applications will be considered within four weeks of receipt.
- Recipients may be required to submit a progress report upon project completion. Deadline for the report will be outlined upon confirmation of the award.
- Small Sparks Project Grants are administered and awarded by the Director of Finance.

**f. Community Project - Neighbourhood Matched Project Grant**

- Submit completed application form and accompanying documents to the Director of Finance on or before February 1<sup>st</sup>.
- Applications will be considered by Council during the annual review of the Financial Plan.
- Recipients may be required to submit a progress report upon project completion. Deadline for receipt of the report will be outlined upon confirmation of the award.

**g. Community Project - Sustainability Grant**

- Submit completed application form and accompanying documents to the Director of Finance on or before February 1<sup>st</sup>.
- Applications will be considered by Council during the annual review of the Financial Plan.
- Recipients must submit a progress report upon project completion. Deadline for receipt of the report will be outlined upon confirmation of the award.
- Upon Council approval, 80% of the grant amount will be paid in advance, with the balance of 20% to be paid upon receipt of final report.



## The Corporation of the District of Saanich

# Report

**To:** Finance Committee  
**From:** Valla Tinney, Director of Finance  
**Date:** October 6, 2017  
**Subject:** Investment Policy

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### Recommendation:

That the Committee review the investment policy and recommend for adoption by Council.

### Purpose:

To present an investment policy to the Committee.

### Background:

The District does not currently have an investment policy. Past practice has been to maintain a conservative portfolio approach based on investment type, return, and maturity term in addition to matching reserve fund investment maturities to expected cash flow needs. Eligible investments for municipalities are detailed in section 183 of the Community Charter.

### Discussion:

An investment policy is recommended best practice by the Municipal Finance Authority (MFA) and the Government Finance Officers Association (GFOA). Both organizations provide guidance on elements to include in policy development which are reflected in our proposed policy. The policy will guide managers in daily decisions about allocating funds among investment instruments and define the corporation's investment philosophy and tolerance for risk.

The District's policy has been developed to reflect a conservative approach to portfolio management while considering appropriate policy elements and objectives recommended by MFA and GFOA. The policy will establish and detail authority, responsibilities, portfolio objects, priorities, and parameters for the portfolio. This will guide staff in consistent management of the portfolio which reflects the philosophy of the District.

### Other Considerations:

The policy does not currently consider divestiture from fossil-fuel related assets, or what's referred to as socially responsible investing, due to portfolio management and return impacts of this position. A 2016 Municipal Finance Authority memorandum on this subject has been attached for information purposes.

Report prepared by:

  
Troy Ziegler, Manager of Accounting

Report reviewed by:

  
Valla Tinney, Director of Finance

**CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I endorse the recommendation of the Director of Finance

  
Paul Thorkelsson, CAO

## MEMORANDUM

**DATE:** September 7, 2016

**TO:** Municipal Finance Authority Members

**RE:** The MFA's position on divestiture from fossil-fuel related assets

The MFA Investment Advisory Committee and Trustees received several reports from both our fund managers, Phillips, Hager, and North, and management in late 2015 and early 2016 on the topic of fossil fuel divestment. In addition, we monitored the review processes and outcomes of other institutional investors, namely large Canadian Universities, to the divestiture question. It is worth noting that every Canadian University that we are aware of that has formally considered this option has elected not to pursue divestiture.

As a result of these reviews and third party analysis, the committee instructed MFA management to maintain the status quo with respect to Pooled Fund investment offerings at this time. MFA Members were informed of this decision at our recent Annual General Meeting.

The issues we considered included:

- The difficulty of defining what corporations would be considered fossil fuel or related companies as there are a wide variety that could be contemplated, including extraction, pipeline, transportation, and other companies that are large scale users of fossil fuel. There is no industry standard around this terminology.
- The impact that divestment would have in concentrating existing portfolios into remaining sectors, resulting in reduced diversification.
- The primary goals of MFA Pooled Funds which are to provide the lowest possible cost and risk, for the highest possible return for our customers.
- Unlike other investment portfolios, our Pooled Funds are limited to fixed income investments by our Act and may not invest in equities or outside of Canada. To our knowledge, there are currently no fossil-fuel-free fixed income funds in Canada.
- Bond holders have less influence than shareholders. As BC Local Governments are precluded from investing in equities, the amount of influence that could be exerted is questionable.



Municipal Finance Authority of BC

- Oil and gas related businesses represent a meaningful portion of the Canadian economy and capital markets, and some BC communities are well-supported by these industries. Any changes made to the structure of the MFABC investment funds affect all clients invested in the funds, not just those that wish to divest from fossil fuels.
- Many of the large fossil fuel intensive companies are also some of the largest investors in renewable energy production and research, therefore excluding them also excludes opportunities to invest in fossil-fuel alternatives.
- Many standalone renewable energy companies are non-investment grade, carrying a credit rating of below BBB, making them ineligible for MFABC's investment funds. Those that are investment grade are few in number and small in issuance and have low secondary market liquidity, making them difficult or expensive to buy and sell.
- The difficulty to create new fund(s) with enough consistent investment to offset related costs (economies of scale and consistency of amounts invested to sustain a viable fund).
- We have had very little demonstrated demand from our clients to make changes to existing Pooled Fund offerings.
- The fact that the Pooled Fund Portfolios are voluntary and our clients have other options to those products available to them.

If you have questions or comments to share with our team and our Trustees, please email us at: [mfa@mfa.bc.ca](mailto:mfa@mfa.bc.ca)

## ADMINISTRATIVE POLICY

7/INV

<b>SUBJECT: INVESTMENT POLICY</b>		
<b>DATE OF ISSUE:</b>	<b>OCTOBER 2017</b>	<b>ORIGIN: FINANCE</b>

### PURPOSE

The purpose of the Investment Policy is to provide a framework for investment portfolio management. It is the practice of Saanich to invest funds in a conservative manner to provide primarily for capital preservation, in addition to investment diversification and rate of return. The portfolio must meet the short and long term cash flow needs of the municipality while complying with the statutory requirements for investments under section 183 of the Community Charter.

### SCOPE

The investment policy applies to all cash operating funds, capital funds, and reserve funds.

### OBJECTIVES

#### **Safety of Principal**

Investments shall be made to ensure preservation of principal within the portfolio. Preservation of principal is accomplished through placement of investments in the safest type of securities, with creditworthy institutions, and through portfolio diversification. Diversification is required to minimize potential losses on individual securities or institutions, and balance returns from a blend of financial products.

#### **Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all annual operating and other reasonably anticipated cash flow requirements. This will be accomplished by selecting maturity dates that correspond to short and long term requirements, and securities with active or secondary resale markets where appropriate.

#### **Return on Investment**

The rate of return of the investment portfolio shall be maximized without compromising safety of principal or diversification.

### STANDARD OF CARE

#### **Prudence**

Portfolio management shall be performed with reasonable judgement, discretion, and care, under market conditions then prevailing. Investments will never be made for/under speculation. Foremost will be consideration for the safety of principal.

#### **Ethics and Conflict of Interest**

Staff responsible for investing shall refrain from personal investment activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

## ADMINISTRATIVE POLICY

7/INV

### **Delegation of Authority**

Authority to manage the District's investment program is delegated to the Director of Finance under the Officer and Administrative Structure Bylaw, 2017, No. 9424 and in accordance with the provisions of Section 149 of the Community Charter as follows: One of the municipal officer positions must be assigned the responsibility of financial administration, which includes the following powers, duties and functions: (b) ensuring the keeping of all funds and securities of the municipality; (c) investing municipal funds, until required, in authorized investments. Authorized investments are referred to in Section 183 of the *Community Charter*.

The Manager of Accounting, receiving guidance and transaction authorization from the Director of Finance, is responsible for the development and execution of the District's investment policy.

### **SAFEKEEPING AND CUSTODY**

All security transactions entered into by the District shall be conducted on a delivery versus payment basis, where physical custody is applicable. The Director of Finance must be satisfied that physical possession of the security is in possession or held by a custodial service.

### **SUITABLE AND AUTHORIZED INVESTMENTS**

Investments must comply with Section 183 of the Community Charter. Money held by a municipality that is not immediately required may only be invested or reinvested in one or more of the following:

- securities of the Municipal Finance Authority;
- pooled investment funds under section 16 of the *Municipal Finance Authority Act*;
- securities of Canada or of a province;
- securities guaranteed for principal and interest by Canada or by a province;
- securities of a municipality, regional district or greater board;
- investments guaranteed by a chartered bank;
- deposits in a savings institution, or non-equity or membership shares of a credit union;
- other investments specifically authorized under this or another Act.

Investments noted above are subject to the following conditions,

1. Chartered banks, credit unions, savings institutions, or any province must meet one of the following minimum credit quality rating scales when investments are placed with them,

Rating Agency	Short Term Obligations	Long Term Obligations
DBRS	R-1 (low)	A (low)
Standard & Poors	A-2	A
Moody's	P-1	A3

2. All investments must be held in the name of The Corporation of the District of Saanich, or the District of Saanich, by all institutions.
3. Investment in securities of a municipality or regional district or greater board should be made on an exception basis only, with due care to the amount and terms due to the size and financial depth of the issuer.

**INVESTMENT PARAMETERS****Diversification**

The District will diversify its investment portfolio by institution, maturity, type and sector of investment in order to reduce overall risk of the portfolio given the prevailing market conditions at the time. With the exception of securities issued by the Federal or Provincial Government, or Municipal Finance Authority, not more than 30% of the investment portfolio will be invested with a single institution or entity.

Reserve funds specifically will be diversified by security type, institution, and take into consideration terms, maturity, and impact on return on investment.

**Maturity**

To the extent possible, the District will attempt to match its investments maturities with cash flow requirements. The level of cash flow needs and surpluses will be identified by reviewing historical cash levels, the annual financial plan, five year capital plan, and reserves funding anticipated from one to five years.

Because of the inherent difficulties in accurately forecasting cash flow greater than one year, a portion of the portfolio will be continuously invested in readily available funds to meet ongoing obligations of one year. The portion of the portfolio not attributable to one year's ongoing obligations, or to a specific cash flow requirement or reserve fund will typically be invested in terms of one to five years. Maturities of greater than five years should be on an exception basis only while taking due care with the terms, amount, and resale ability of the investment.

**COMPETITIVE BIDS**

The District will solicit at minimum two competitive bids and verbal quotations for the purchase and sale of securities where it is prudent to do so. Transactions should be made directly with financial institutions where possible.

An authorized list of investment dealers will be maintained and reviewed annually by the District. Accounts with new dealers must be approved by the Director of Finance, and will not be opened until an investment is made with the dealer. Bidders for investment transactions will at minimum be in good standing of the Investment Industry Regulatory Organization of Canada (IIROC), Mutual Fund Dealers Association (MFDA), or the BC Securities Commission. Professional judgement, due diligence, and care will be exercised when selecting investment dealers.